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SUBJECT: MEDIA REACTION: IRAN; G8 FINANCE MINISTERS MEETING

TOPICS:

- [1. Iran](#)
- [2. G8 finance ministers meeting](#)

HEADLINES AND EXCERPTS:

- [1. Iran](#)

"True democracy the only answer for Iran"

The independent English-language South China Morning Post said in an editorial (6/15): "Iranian President Mahmoud Ahmadinejad has declared victory in Friday's election. The country's ruler, supreme leader Ayatollah Ali Khamenei, has called the win a 'divine assessment'. Irregularities would seem to point less towards a democratic vote than yet another power grab by Islamic clerics. If this is the case, a regrettable decision has been made to ignore Iranians' constitutional right to determine the direction of their nation. Hopes were high during campaigning that the clerics had changed their ways. Unprecedented debates, genuine grass-roots mobilization and equal play in the media for the four presidential candidates gave the impression that power was being returned to the people. But cries of fraud have been widespread since election day, when opposition communications with the electorate were blocked.... Iran's election has caused discontent. Deep political fissures have been created. If the nation is to move peacefully forward, its leaders have to be transparent and open about the results. True democracy is the only way the nation can overcome its myriad problems."

"Iran's hard-line policy will hardly change"

The pro-PRC Chinese-language Macau Daily News remarked in an editorial (6/14): "...The international community had always hoped that the election would be able to change Iran's foreign policies. They hoped that there would have been a breakthrough in relations between Iran and the Obama administration. Thus, the international community placed great hopes on the reformist Mousavi. Mousavi had experience in running the country. When he was the Prime Minister, he won public praise for managing the country's economy.... Judging from the result of the election, the grassroots in Iran still think that Ahmadinejad is their representative. They believe that Mousavi only represents the vested interest groups. Ahmadinejad is the real defender of the revolution.... Regardless of who won the Iranian election, it does not matter much because Tehran will not have any major changes in its nuclear policy. Pursuing nuclear programs and the confidence of the authorities in Tehran is closely related. Thus, the person in power will not change this policy.... Now that Ahmadinejad has been reelected, Iran's hard-line policy will not change. Its nuclear programs will still continue. Once Iran passes the nuclear threshold, conflicts with the U.S. can hardly be avoided."

12. G8 finance ministers meeting

"Capital can easily flow away but not getting back; countries face dilemma in rescuing markets"

The independent Chinese-language Hong Kong Economic Times commented in an editorial (6/15): "After the meeting of the G8 finance ministers, they said they have to study how to withdraw all the economic stimulus measures after the economy recovers. The market believes that the finance ministers' remarks are responding to the market's worries about high inflation. But it also shows that bailout measures have brought about serious consequences. If they cannot be resolved, the impact of what comes after will be as serious as that of the financial crisis.... U.S. Treasury Secretary Geithner said after the G8 meeting that the focus of the policy at the present stage is to promote economic growth. It is too early to talk about tightening the policy. This shows that global efforts to rescue the economy have not yet reached a halfway point. The U.S. is still very worried whether the seeds of the economic recovery have really sprouted yet. This is what investors should think about carefully."

DONOVAN